

Leader-Follower Congruence in Psychological Capital: Effects on LMX and Turnover Intention

Purpose: Prior studies have consistently shown that leader psychological capital is beneficial for leader-member exchange (LMX) and followers' outcomes. In this study, we challenge this consensus; we propose that a leader with high-level psychological capital may decrease LMX and promote followers' turnover intention when encountering a follower with low-level psychological capital. Only congruent psychological capital in leader-follower dyads increases LMX and decreases turnover intention.

Design/methodology/approach: A two-wave survey was designed to collect data from a sample of 207 leader-follower dyads in the service industries of China. Polynomial regression combined with the response surface analysis was used to test our hypotheses.

Findings: a) LMX increased when the levels of psychological capital between leaders and followers were congruent, but LMX suffered when they were not congruent (e.g., leaders' psychological capital was higher than followers' or otherwise); b) in the conditions of psychological capital congruence, LMX was higher when a leader's and a follower's psychological capital were both high than low; c) LMX mediated the relationship between psychological capital congruence and followers' turnover intention.

Originality/value: These findings provide a novel perspective for our understanding of the function of psychological capital and its implications for turnover management.

Keywords: Psychological capital; Leader-member exchange; Similarity-attraction theory; Turnover intention; Leader-follower congruence.

Introduction

Since the movement of positive organizational scholarship (Cameron and Dutton, 2003), psychological capital has gained sustainable attention from both scholars and practitioners. Psychological capital depicts individuals' psychological state consisting of four intertwined positive psychological resources, namely, self-efficacy, hope, optimism, and resilience (Luthans et al., 2006). There seems to be a consensus that leaders with high psychological capital are resourceful, and lead and inspire their followers to overcome difficulties (Kong et al., 2018). Leader psychological capital is thus widely recognized as one core element of positive leadership characteristics that energize followers to achieve positive outcomes, such as higher work engagement and better performance (Chen, 2015; Xu et al., 2017; Rego et al., 2019).

A core underlying mechanism linking leader psychological capital to positive follower outcomes is through leader-member exchange (LMX, Story et al., 2013). Prior studies have mainly focused on the leader's psychological capital on LMX (Story et al., 2013; Chen et al., 2019; Li et al., 2020), while neglecting that of the followers. As LMX is about the social interaction between leaders and followers (Anand et al., 2011), the quality of LMX can be shaped by both leaders' and followers' psychological capital rather than the leaders' psychological capital alone. Thus, merely focusing on LMX from the perspective of the leader's psychological capital may lead to a partial or biased understanding (Wang et al., 2022).

To address this issue, we draw on the similarity-attraction theory (Byrne, 1997) to infer that psychological capital congruence will promote the quality of LMX, while

incongruence will decrease LMX. The basic tenet of the similarity-attraction theory suggests that followers are more attracted to leaders who share similar characteristics with them; consequently, they become more committed and loyal to their leaders (Sung et al., 2020). Thus, leader-follower congruence could not only shape LMX (proximal outcome) but also a distal outcome such as turnover intention (Chen et al., 2016; Biermeier-Hanson et al., 2020). For the sustainable development of organizations, it is critical to combat employees' turnover intention and effective management of leaders' and followers' psychological capital is the key (Gom et al., 2021). In addition, while psychological capital can be viewed as personal resources (Avey et al., 2009), LMX can be utilized as job resources for employees to reduce turnover intention (Bauer et al., 2006).

The objective of this study thus is to examine how the various scenarios of congruence and incongruence of leader-follower in psychological capital influence LMX, and their subsequent impacts on employee turnover intention. Empirical data were collected through a two-wave survey from a sample of 207 leader-follower dyads to test our hypotheses. By doing so, this study contributes to the literature by introducing a new perspective of leader-follower psychological capital congruence. The extant literature largely emphasizes the function of leader psychological capital (Rego et al., 2019; Story et al., 2013), and followers are regarded as recipients of the leader's positive influence. This study challenges this consensus by showing that a leader with high-level psychological capital may not lead to positive outcomes; it is the match of leaders' and followers' psychological capital (i.e., congruence) that brings beneficial

outcomes. The findings of this study provide insights into managing and developing training programs for improving the congruence level of leaders' and followers' psychological capital.

Theory and Hypotheses

Leader-follower congruence in psychological capital and LMX

The traditional view of LMX believes that leaders play a dominant role in determining the quality of LMX. They can proactively assign certain roles to followers and differentiate the followers as in-group members or out-group members (Dienesch and Liden, 1986). Unlike the traditional view, some researchers argue that followers' characteristics could also be the determinants of LMX, such as followers' competence, personality, and reactions to leaders' role assignments (Xu et al., 2019; Dulebohn et al., 2012). In addition to these leader-centered or follower-centered views that examine how leaders or followers shape LMX separately, a more balanced view has emerged recently. Such a view proposes that leader-follower similarities contribute to the development of the LMX relationship (Zhang et al., 2012; Coyle and Foti, 2022). Following this logic, this study focuses on the joint role of leaders' and followers' psychological capital in shaping LMX. This endeavor is based on the similarity-attraction theory (Byrne, 1997).

The similarity-attraction theory argues that similar characteristics/attitudes shared by dyads could generate interpersonal attraction (Byrne, 1997) because similarities a) satisfy dyadic counterparts' need for consistent views and b) meet each other's behavioral expectations. On the one hand, individuals have a fundamental

need for a logical and consistent view of the world (reference). To satisfy this need, individuals are attracted to those who validate their views and reinforce the logic and consistency in their minds (Montoya and Horton, 2013; Coyle and Foti, 2022). On the other hand, behavioral expectation serves as an alternative explanation for similarity attraction. Similar dyads can easily anticipate each other's behavioral tendencies; this will smooth interpersonal communication and engender interpersonal attraction (Sears and Holmvall, 2010). In line with the similarity-attraction paradigm, scholars have found that leader-follower similarity in psychological characteristics predicts LMX (Tsai *et al.*, 2017; Zhang *et al.*, 2012).

Individuals with a high level of psychological capital embrace positive views and have strong motivations for goal pursuit, including recognizing paths for achieving those goals (hope), believing they can successfully reach the goals (self-efficacy, optimism), and recovering from inevitable setbacks of goal pursuit (resilience) (Luthans *et al.*, 2007). The congruence between a leader's and a follower's psychological capital indicates that both parties validate each other's views about goal setting (point #1) and anticipate each other's strong motivations for goal achievement (point #2).

First, leader-follower psychological capital congruence reflects that they share similar views on goal setting. Specifically, leaders with high-level psychological capital will be more self-efficacious and optimistic about setting challenging goals for the team (Hannah and Luthans, 2008; Carter *et al.*, 2019); followers with high-level psychological capital will embrace such positive views and validate their leaders'

views on goal setting (Wolfram and Mohr, 2009). Such followers who constantly validate leaders' views will be more attractive to leaders and thus reap the benefits of high-quality LMX (Chen *et al.*, 2016). Second, psychological capital congruence in dyads indicates that both parties share similar behavior tendencies during the goal pursuing process, which makes each other's future behavior predictable and thus smoothes the dyadic interaction. Leaders with high-level psychological capital usually have an active motivation for goal achievement (Datu *et al.*, 2018) (even under stressful and tough times). These are followers with a high level of psychological capital. In such a case, the followers could behave in a way that aligned with their leaders' behavioral expectations, which could satisfy the leaders and contribute to the development of LMX.

In contrast, leader-follower incongruence in psychological capital, indicating leaders and followers hold different views on goal setting and behave in different directions during goal chasing, is detrimental to LMX. For example, when a leader with high psychological capital encounters a follower with low psychological capital, challenging goals set by the leaders might be overwhelming for such followers (Parent-Rochelleau *et al.*, 2021). Under this condition, followers may find it hard to validate their leaders' views on goal setting and fail to meet leaders' expectations, which ultimately hinders the development of LMX. Moreover, followers with low psychological capital are not thrilled to pursue their work goals and tend to withdraw when facing setbacks. This case means that followers with low-level psychological capital cannot behave in the same way as leaders with high-level psychological capital

during goal pursuit. As such, followers with low-level psychological capital may be negatively evaluated by their leaders with high-level psychological capital, which, in turn, leads to low-quality LMX.

In summary, we propose that leaders with high-level psychological capital do not always promote LMX, especially when they encounter followers with low-level psychological capital. The congruence in leader-follower psychological capital increases the development of LMX. Thus, we hypothesize the following:

H1: The higher the congruence between a leader's and a follower's psychological capital, the higher the LMX.

Specific congruence scenarios of psychological capital and their implications for LMX

Leaders and followers can be congruent at either a high or a low level of psychological capital. There are four scenarios based on the level of psychological capital possessed by leaders and followers (as shown in Figure 1): high-high, low-low, high-low, and low-high. The former two scenarios fall into the category of congruence, and the latter two fall into that of incongruence.

Insert Figure 1 about here

We assume that LMX increases with the rise of both leaders' and followers' psychological capital and is maximized in the condition of the high-high congruence scenario. This is because LMX in the high-high congruence condition benefits not

only from similarity attraction but also from high-level psychological capital. In a high-high situation, high psychological capital helps to promote personal growth and provides positive resources during goal pursuit (Luthans *et al.*, 2007). Followers with high psychological capital are more capable and resourceful to fulfill leaders' expectations and consequently build a high-quality relationship with leaders. Leaders, when they are fueled with high psychological capital, can positively inspire their followers and set a positive role model for them, which could also enhance the LMX relationship (Story *et al.*, 2013; Chen *et al.*, 2019).

In contrast, in the low-low congruence condition, although the dyads have the benefits of similarity attraction, the benefits may be undermined due to the decreased level of psychological capital. Specifically, in such a condition, both leaders and followers hold negative appraisals of goal achievement and are pessimistic about the future of the team (Luthans *et al.*, 2007), which makes leaders and followers unsatisfied with their working conditions (Bunjak *et al.*, 2019). As a result, they have little motivation to engage in relationship development with their working counterparts (Volmer *et al.*, 2011). Therefore, the development of LMX becomes weaker in a low-low congruence scenario than in a high-high congruence scenario.

H2. LMX is higher when followers and leaders are aligned at a high level of psychological capital than when they are at a low level.

The mediating role of LMX

LMX reflects the social exchange process between a leader and a follower. In such an exchange process, followers who have a high-quality LMX will gain tangible (e.g., a

rise in wages and career) or intangible benefits (e.g., emotional support and trust). These benefits are calculative and affective forces that, respectively motivate followers to stay with the organization (Maertz Jr and Griffeth, 2004). However, followers in low LMX often feel that they cannot gain similar amounts of benefits compared to those in high LMX. This will provoke followers' negative affective responses toward leaders, which will work as affective forces motivating followers to leave the organization (Maertz Jr and Griffeth, 2004). This negative relationship has been documented in the previous literature (Wilhelm *et al.*, 1993) and has gained empirical support (Gerstner and Day, 1997; Wu et al., 2021, in press).

As posited by H1 and H2, leader-follower congruence in psychological capital exerts an effect on LMX. Integrating these hypotheses with the “LMX—turnover intention” relation, we further propose a mediation model wherein LMX carries the congruence effect of leader-follower psychological capital on followers' turnover intention. Thus, we hypothesize the following:

H3. LMX mediates the effect of leader-follower congruence in psychological capital on follower turnover intention.

The theoretical research model is shown in Figure 2.

Insert Figure 2 about here

Method

Participants and procedure

We collected two-wave data from six companies in the service industries located in southeastern China. We first contacted the HR managers in the companies and explained the purpose of the present study. With their support, we started to recruit leader-follower dyads to complete our surveys. All the participants were informed of the voluntary nature of their participation. To protect their identities, we created a unique number for each participant (including both leaders and followers), which was then used to match a leader's and a follower's data. At time 1, we surveyed 283 leader-follower dyads, measuring their psychological capital and demographic information. During the data collection procedure, 26 out of 283 followers did not fill in the identifying number, which ultimately led to the failure of matching their data with that of their leaders. Thus, we obtained 257 usable matched responses. Two months later (at time 2), we sent a new survey measuring LMX and turnover intention to the followers who had finished time 1 surveys and received 207 usable responses.

Among those in the follower role, 40.60% were male, 53.60% had a bachelor's degree, and 5.80% had a graduate degree. They were 29.91 years old (ranging from 20 to 45, $SD = 5.43$) on average and had worked with their current leader for an average of 2.69 years (ranging from 1 to 4, $SD = 1.07$). Among those in the leader role, 56.50% were male, 59.90% had a bachelor's degree, and 11.60% had a graduate degree. The mean age was 36.03 years (ranging from 24 to 51, $SD = 7.99$).

Measures

Following Brislin's (1983) recommended procedure, we translated the original measures (in English) into Chinese. All the measures were rated on a five-point scale

ranging from 1 (strongly disagree) to 5 (strongly agree).

We measured both leaders' ($\alpha = .92$) and followers' psychological capital ($\alpha = .90$) using the 24-item questionnaire developed by Luthans et al. (2007). We measured LMX ($\alpha = .93$) using the LMX-7 scale (e.g., My supervisor understands my job problems and needs) developed by Graen and Uhl-Bien (1995). We measured turnover intention ($\alpha = .87$) using the 4-item scale (e.g., I often think of quitting my present job) developed by Farh et al. (1998).

Following Zhang et al. (2012), we controlled the leader-follower differences in gender, age, and education, as well as the dyadic tenure. The gender difference was encoded as a dummy variable (0 = same gender, 1 = different gender), but the difference in age or education was operationalized as an absolute difference score within a dyad.

Analytic approach

We examined the congruence/incongruence effect using polynomial regression combined with the response surface analysis (Edwards and Parry, 1993). In polynomial regression, LMX was regressed on the control variables as well as the five polynomial terms — leader psychological capital, follower psychological capital, leader psychological capital squared, leader psychological capital \times follower psychological capital, and follower psychological capital squared. In other words, we estimated the following equation (with all the control variables omitted in the presentation):

$$M = b_0 + b_1L + b_2F + b_3L^2 + b_4(LF) + b_5F^2 + e \quad (1)$$

where M stands for the mediator variable (i.e., LMX) and L and F respectively for

leader psychological capital and follower psychological capital. Based on the regression coefficients estimated by equation (1), we plotted the three-dimensional response surface where F and L were plotted on the perpendicular horizontal axes, and M was plotted on the vertical axis (Edwards and Parry, 1993).

Hypothesis 1 testing. First, the curvature along the incongruence line (the line where $L = -F$ and calculated as $b_3 - b_4 + b_5$) should be significant and negative, that is, the surface along the incongruence line should have an inverted U-shape.

Hypothesis 2 testing. We expected a significant and positive slope of the congruence line (calculated as $b_1 + b_2$), which would indicate that LMX was higher when the leader and follower were congruent at a high versus low level of psychological capital.

Hypothesis 3 testing. We adopted the block variable approach recommended by Edwards and Cable (2009). We first generated a block variable by multiplying the raw data with the regression coefficients estimated using Equation (1) and then treated it as an independent variable in the mediation model. We also estimated the 95% confidence intervals (95% CI) for the mediating effects.

Results

Preliminary results

As shown in Table 1, leaders' psychological capital was positively related to LMX ($r = .30, p < .001$) and negatively related to turnover intention ($r = -.19, p < .01$). Followers' psychological capital was positively related to LMX ($r = .42, p < .001$). Moreover, LMX was negatively related to turnover intention ($r = -.23, p < .001$).

Insert Table 1 about here

Common method variance analysis

Although we collected the data at two separate time points, some variables were still self-reported by followers (e.g., psychological capital, LMX, turnover intention), and it was necessary to check whether common method bias exists. Therefore, we utilized two procedures to ensure that common method bias was not a serious concern (Podsakoff et al., 2003). First, we performed Harman's single-factor test (Harman, 1976) for those variables reported by the followers. The results showed that the highest value among the factors that accounted for the variance in the data was 10.42% (less than 50%), which suggests that common method variance is not a concern. Second, we also used a partial correlation procedure described by Podsakoff et al. (2003) to partial out a general method factor, which is the first unrotated factor generated from the exploratory factor analysis of the self-reported items. If the partial correlations between those relevant variables remain significant, then the observed relationships are less likely to be contaminated by common method variance. The partial correlation results shared the same pattern of significance as the results reported in Table 1, which suggests that common method variance is not a significant problem.

Confirmatory factor analysis

As presented in Table 2, the results of confirmatory factor analyses showed that the model that distinguishes all the research variables (e.g., the three-factor models) has a better model fit than any of those models combined some research variables, e.g., two-

($\Delta\chi^2s \geq 249.68$, $\Delta dfs = 2$, $\Delta ps < .001$) and single-factor models ($\Delta\chi^2s \geq 674.90$, $\Delta dfs = 3$, $\Delta ps < .001$), indicating that the research variables (e.g., psychological capital, LMX and turnover) have satisfying discriminant validity from each other.

Insert Table 2 about here

Hypothesis testing

Hypothesis 1 states that the congruence between a leader's and a follower's psychological capital is positively related to LMX. As shown in Table 3, the curvature along the incongruence line was significant and negative (curvature = $-.24$, $p < .001$). The three added second-order polynomial terms predicted significantly more variance of LMX ($\Delta R^2 = .04$, $p < .01$). Moreover, the slope (0.95) of the first principal axis was not significantly different from 1 and the intercept (0.37) was not significantly different from 0. The surface in Figure 3 shows an inverted U-shape along the incongruence line, showing that LMX was higher when a leader's and a follower's psychological capital were congruent and that any deviation from the congruence line (i.e., moving to its left or right) would decrease LMX. Thus, Hypothesis 1 was supported.

Hypothesis 2 states that LMX is higher when a leader and a follower share a high versus low level of congruent psychological capital. Table 3 shows that the slope of the congruence line was positive (slope = $.44$, $p < .001$). When examining the surface presented in Figure 3, we found that LMX at the rear corner (where leader psychological capital = follower psychological capital = 2) was higher than that at the

front corner (where leader psychological capital = follower psychological capital = – 2). Hence, Hypothesis 2 was supported.

Insert Table 3 about here

Insert Figure 3 about here

Table 4 presents the results supporting Hypothesis 3, which predicts the mediation effect of LMX for the relationship between leader-follower (in)congruence in psychological capital and turnover intention. The block variable of the leader-follower (in)congruence in psychological capital was positively related to LMX ($b = .99, p < .001$), and in turn, LMX was negatively related to turnover intention ($b = -.27, p < .01$). The mediation effect of LMX was significant (mediation effect = $-.27, 95\% CI = -.45, -.09$).

Insert Table 4 about here

Discussion

This study investigates how the congruence of leader-follower psychological capital affects LMX and subsequently follower turnover intention. Our results showed that congruence rather than incongruence in psychological capital promotes the development of LMX. Under the congruence scenario (high-high versus low-low), leaders and followers develop more satisfying LMX when their psychological capital

aligns at a high level than at a low level. Leader-follower psychological capital congruence inhibits followers' turnover intention via the development of LMX.

Theoretical implications

The study makes several theoretical contributions by offering new insights into the literature on psychological capital, LMX, and turnover intention.

First, the study extends the literature on psychological capital by introducing the congruence approach to the field of employee relations. Previous studies on psychological capital have been conducted from a single-sided perspective, showing that followers' and leaders' psychological capital are separately beneficial for cultivating positive outcomes (Avey et al., 2009; Avey *et al.*, 2011; Rego et al., 2019). There is a consensus that psychological capital is beneficial. However, by applying the leader-follower congruence approach, this study shows that the benefits of psychological capital are spoiled when the leader and follower do not share similar levels of positivity. In particular, leader-follower psychological capital incongruence could cause a detrimental effect on LMX and lead to high turnover intention. These results corroborate the previously neglected assumption on potential pitfalls of psychological capital (Luthans and Youssef-Morgan, 2017) and challenge the consensus that psychological capital is always positive. The beneficial effect of psychological capital occurs only in the high-high congruence condition, which produces higher LMX (compared to the low-low condition); thus, the study adds a new understanding of the relationship between psychological capital and LMX (Story et al., 2013).

Second, we provide more fine-grained insights into the integration of psychological capital and LMX theory. Previous studies have typically emphasized the one-way influence that leaders' psychological capital exerts on LMX. However, our study indicates that followers' psychological capital may adversely affect leader-follower relationship development. Considering the relational attributes of LMX as well as the nuanced role of followers in constructing the leader-follower relationship (Uhl-Bien *et al.*, 2014; Xu *et al.*, 2019), the approach of leader-follower congruence is fundamentally valuable for advancing our understanding of the integration of psychological capital and LMX theory. Our results showed that follower psychological capital is also important in determining LMX, which is in line with the finding of a previous study that followers' psychological capital would inversely affect the leadership process (Haar *et al.*, 2014).

Third, the study offers a novel understanding of the antecedents of turnover intention. Previous studies treated LMX as a valuable social resource for combating turnover intention (Harris *et al.*, 2008), and our study shows that dyadic psychological capital congruence might exert a distal effect on turnover intention via LMX. Unlike previous studies that separately emphasize personal resources (psychological capital) or social resources (LMX) for motivating employee staying (Avey *et al.*, 2009; Harris *et al.*, 2008), our result revealed that when a follower with high psychological capital encounters a leader with low psychological capital, the mitigating effect of psychological capital on turnover intention will be jeopardized via reduced LMX. This phenomenon indicates that personal resources do not take effect in a social

vacuum (Halbesleben *et al.*, 2014), and low LMX resulting from leader-follower psychological capital incongruence will block followers' access to LMX resources and lead to high turnover intention.

Practical implications

The findings of this study on the congruence of leader-follower psychological capital, LMX, and turnover intention offer several suggestions for employee relations management practices. Given that incongruent psychological capital between the dyads will cause a negative impact on the LMX relationship, organizations may implement two approaches to prevent such an unsatisfying situation. First, the organization may try to arrange followers to work with leaders who share similar levels of psychological capital with them. Second, given that psychological capital is open to development, organizations can also monitor the psychological capital training process and ensure that leaders and followers are marching to the same beat on psychological capital development. Moreover, as we find that dyadic psychological capital incongruence will lead to higher turnover intention by decreasing LMX, to prevent potential human capital loss, we encourage the organization to put more effort into building harmonious leader-follower relationships when carrying out the psychological capital training process.

The finding that leaders' and followers' high-high psychological capital is positively related to LMX suggests that organizations should continue to advocate the usefulness of psychological capital and invest in resources to cultivate high-level psychological capital. Specifically, organizations can design particular intervention

tools to develop employees' hope, self-efficacy, resilience, and optimism. For example, organizations can refine employees' goal setting or arrange detailed pathways for goal chasing to cultivate hopeful employees; increase employees' self-efficacy through persuasion, positive feedback, and setting positive role models; offer more supporting assets to help employees to bounce back from failure and become more resilient; teach employees to interpret or attribute events positively and become more optimistic about the future (Luthans and Youssef-Morgan, 2017).

Limitations and future research

This study has some limitations, and future research is recommended. First, as a psychological state, psychological capital may fluctuate through the development intervention, and the leader-follower congruence of psychological capital may, therefore, be unstable. The use of cross-sectional data in this study makes it difficult to conclude causal relationships; thus, a longitudinal perspective is highly recommended for future research on psychological capital. Second, our study is conducted in China, wherein informal relationships such as guanxi are strongly correlated with leader-follower congruence (Zhang *et al.*, 2017); therefore, in addition to the LMX relationship, future studies may consider testing the mediating effect of guanxi between dyadic psychological capital congruence and turnover intention. Finally, we believe some individual differences might moderate the effect of leader-follower psychological capital congruence on LMX. For example, in the context of leader-follower psychological capital incongruence, when leaders or followers have high levels of uncertainty avoidance, they might be less tolerant of their working

counterparts' different attitudes and unpredictable behaviors. Therefore, future studies can investigate whether leaders' or followers' uncertainty avoidance moderates the relationship between leader-follower psychological capital congruence and LMX.

Conclusion

Drawing on similarity-attraction theory, we tested the congruence effect of leader-follower psychological capital on LMX and turnover intention. The study shows that high-high psychological capital congruence exerts the strongest effect on turnover intention via LMX. Our results indicate that organizations could achieve successful turnover management and reap the benefit of psychological capital by matching leaders with followers according to their levels of psychological capital.

References

- Anand, S., Hu, J., Liden, R.C. and Vidayarthi, P.R. (2011), "Leader-member exchange: Recent research findings and prospects for the future", *The Sage handbook of leadership*, pp.311-325.
- Avey, J.B., Luthans, F. and Jensen, S.M. (2009), "Psychological capital: A positive resource for combating employee stress and turnover", *Human Resource Management*, Vol. 48 No. 5, pp.677-693.
- Avey, J.B., Reichard, R.J., Luthans, F. and Mhatre, K.H. (2011), "Meta-analysis of the impact of positive psychological capital on employee attitudes, behaviors, and performance. *Human Resource Development Quarterly*, Vol. 22 No.2, pp. 127-152.
- Bauer, T.N., Erdogan, B., Liden, R.C. and Wayne, S.J. (2006), "A longitudinal study of the moderating role of extraversion: Leader-member exchange, performance, and turnover during new executive development", *Journal of Applied Psychology*, Vol. 91 No.2, pp. 298–310.
- Biermeier-Hanson, B., Wynne, K.T., Thrasher, G. and Lyons, J.B. (2020), "Modeling the joint effect of leader and follower authenticity on work and non-work outcomes", *The Journal of Psychology*, Vol. 155 No.2, pp.140-164.
- Brislin, R.W. (1983), "Cross-cultural research in psychology, *Annual Review of Psychology*, Vol. 34 No.1, pp. 363-400.
- Bunjak, A., Černe, M. and Wong, S.I. (2019), "Leader–follower pessimism (in)congruence and job satisfaction: The role of followers' identification with a leader", *Leadership & Organization Development Journal*, Vol. 40 No. 3, pp. 381-398.
- Byrne, D. (1997), "An overview (and underview) of research and theory within the attraction paradigm", *Journal of Social and Personal Relationships*, Vol. 14 No.3, pp. 417-431.
- Cameron, J., Dutton, J. and Quinn, R.E. (2003), *Positive Organizational Scholarship*, BerrettKoehler, San Francisco, CA
- Carter, J.W. and Youssef-Morgan, C.M. (2019), "The positive psychology of mentoring: A longitudinal analysis of psychological capital development and performance in a formal mentoring program", *Human Resource Development Quarterly*, Vol. 30 No.3, pp. 383-405.
- Chen, Q., Kong, Y., Niu, J., Gao, W., Li, J. and Li, M. (2019), "How leaders' psychological capital influence their followers' psychological capital: social exchange or emotional contagion", *Frontiers in Psychology*, Vol. 10, 1578.
- Chen, S.L. (2015), "The relationship of leader psychological capital and follower psychological capital, job engagement and job performance: a multilevel mediating perspective", *The International Journal of Human Resource Management*, Vol. 26 No.18, pp. 2349-2365.
- Chen, Y., Wen, Z., Peng, J. and Liu, X. (2016), "Leader-follower congruence in loneliness, LMX and turnover intention", *Journal of Managerial Psychology*, Vol. 31 No. 4, pp. 864-879.

- Coyle, P.T. and Foti, R. (2022, in press), “Do leaders and followers see eye to eye? Exploring patterns of congruent expectations and self-views in leader-follower relationships”, *Leadership & Organization Development Journal*.
- Datu, J.A.D., King, R.B. and Valdez, J.P.M. (2018), “Psychological capital bolsters motivation, engagement, and achievement: Cross-sectional and longitudinal studies”. *The Journal of Positive Psychology*, Vol.13 No.3, pp. 260-270.
- Dienesch, R.M. and Liden, R.C. (1986), “Leader-member exchange model of leadership: A critique and further development”, *Academy of Management Review*, Vol. 11 No.3, pp. 618-634.
- Dulebohn, J.H., Bommer, W.H., Liden, R.C., Brouer, R.L. and Ferris, G.R. (2012), “A meta-analysis of antecedents and consequences of leader-member exchange: Integrating the past with an eye toward the future”, *Journal of Management*, Vol. 38 No.6, pp. 1715-1759.
- Edwards, J.R. and Cable, D.M. (2009), “The value of value congruence”, *Journal of Applied Psychology*, Vol. 94 No.3, pp. 654–677.
- Edwards, J.R. and Parry, M.E. (1993), “On the use of polynomial regression equations as an alternative to difference scores in organizational research”, *Academy of Management Journal*, Vol. 36 No. 6, pp. 1577-1613.
- Epitropaki, O. and Martin, R. (1999), “The impact of relational demography on the quality of leader-member exchanges and employees' work attitudes and well-being”, *Journal of Occupational and Organizational Psychology*, Vol. 72 No.2, pp. 237-240.
- Farh, J.L., Tsui, A.S., Xin, K. and Cheng, B.S. (1998), “The influence of relational demography and guanxi: The Chinese case”, *Organization Science*, Vol. 9 No.4, pp. 471-488.
- Gerstner, C.R. and Day, D.V. (1997), “Meta-Analytic review of leader–member exchange theory: Correlates and construct issues”, *Journal of Applied Psychology*, Vol. 82 No.6, pp. 827-844.
- Graen, G.B. and Uhl-Bien, M. (1995), “Relationship-based approach to leadership: Development of leader-member exchange (LMX) theory of leadership over 25 years: Applying a multi-level multi-domain perspective”, *The Leadership Quarterly*, Vol. 6 No. 2, pp. 219-247.
- Gom, D., Lew, T.Y., Jiony, M.M., Tanakinjal, G.H. and Sondoh Jr, S. (2021), “The role of transformational leadership and psychological capital in the hotel industry: a sustainable approach to reducing turnover intention”, *Sustainability*, Vol. 13 No. 19, 10799.
- Haar, J.M., Roche, M. and Luthans, F. (2014), “Do leaders' psychological capital and engagement influence follower teams or vice versa?”, Paper presented at the Academy of Management Proceedings.
- Halbesleben, J.R., Neveu, J.P., Paustian-Underdahl, S.C. and Westman, M. (2014), “Getting to the “COR” understanding the role of resources in conservation of resources theory”, *Journal of Management*, Vol. 40 No. 5, pp. 1334-1364.
- Hannah, S. and Luthans, F. (2008), “A cognitive affective processing explanation of positive leadership: toward theoretical understanding of the role of

- psychological capital”, in Humphrey, R.H. (Ed.), *Affect and Emotion: New Directions in Management Theory and Research*, Volume 7 of Research in Management, Information Age, Greenwich, CT, pp. 97-136.
- Harman, H.H. (1976), “*Modern factor analysis*”, University of Chicago press.
- Harris, R.B., Harris, K.J. and Harvey, P. (2008), “An examination of the impact of supervisor on the relationship between job strains and turnover intention for computer workers”, *Journal of Applied Social Psychology*, Vol. 38 No.8, pp. 2108-2131.
- Kong, F., Tsai, C.H., Tsai, F.S., Huang, W., la Cruz, D. and Malapitan, S. (2018), “Psychological capital research: A meta-analysis and implications for management sustainability”, *Sustainability*, Vol. 10 No.10, 3457.
- Li, T., Liang, W., Yu, Z., and Dang, X. (2020), “Analysis of the influence of entrepreneur’s psychological capital on employee’s innovation behavior under leader-member exchange relationship”, *Frontiers in Psychology*, Vol.11, 1853.
- Luthans, F., Avey, J.B., Avolio, B.J., Norman, S.M. and Combs, G.M. (2006), “Psychological capital development: toward a micro-intervention”, *Journal of Organizational Behavior*, Vol. 27 No. 3, pp. 387-393.
- Luthans, F., Avolio, B.J., Avey, J.B. and Norman, S.M. (2007), “Positive psychological capital: Measurement and relationship with performance and satisfaction”, *Personnel Psychology*, Vol. 60 No. 3, pp. 541-572.
- Luthans, F. and Youssef-Morgan, C.M. (2017), “Psychological capital: An evidence-based positive approach”, *Annual Review of Organizational Psychology and Organizational Behavior*, Vol. 4, pp. 339-366.
- Maertz Jr, C.P. and Griffeth, R.W. (2004), “Eight motivational forces and voluntary turnover: A theoretical synthesis with implications for research”, *Journal of Management*, Vol. 30 No.5, pp. 667-683.
- Montoya, R.M. and Horton, R.S. (2013), “A meta-analytic investigation of the processes underlying the similarity-attraction effect”, *Journal of Social and Personal Relationships*, Vol.30 No.1, pp. 64-94.
- Podsakoff, N.P. (2003), “Common method biases in behavioral research: A critical review of the literature and recommended remedies”, *Journal of Applied Psychology*, Vol. 88 No. 5, pp. 879–903
- Parent-Rocheleau, X., Bentein, K., Simard, G. and Tremblay, M. (2021), “Leader-follower (dis) similarity in optimism: Its effect on followers’ role conflict, vigor and performance”, *Journal of Business and Psychology*, Vol. 36 No.2, pp. 211-224.
- Rego, A., Yam, K.C., Owens, B.P., Story, J.S., Pina e Cunha, M., Bluhm, D. and Lopes, M.P. (2019), “Conveyed leader psycap predicting leader effectiveness through positive energizing”, *Journal of Management*, Vol. 45 No. 4, pp. 1689-1712.
- Sears, G.J., and Holmvall, C.M. (2010), “The joint influence of supervisor and subordinate emotional intelligence on leader–member exchange”, *Journal of Business and Psychology*, Vol.25 No.4, pp. 593-605.
- Siu, O. L., Cheung, F. and Lui, S. (2015), “Linking positive emotions to work well-being and turnover intention among Hong Kong police officers: The role of

- psychological capital”, *Journal of Happiness Studies*, Vol. 16 No.2, pp. 367-380.
- Story, J.S., Youssef, C.M., Luthans, F., Barbuto, J.E. and Bovaird, J. (2013), “Contagion effect of global leaders' positive psychological capital on followers: Does distance and quality of relationship matter?”, *The International Journal of Human Resource Management*, Vol.24 No.13, pp. 2534-2553.
- Sung, S.H., Seong, J.Y. and Kim, Y.G. (2020), “Seeking sustainable development in teams: towards improving team commitment through person-group fit”, *Sustainability*, Vol.12 No.15, 6033.
- Tsai, C.Y., Dionne, S.D., Wang, A.C., Spain, S.M., Yammarino, F.J. and Cheng, B.S. (2017), “Effects of relational schema congruence on leader-member exchange”, *The Leadership Quarterly*, Vol.28 No.2, pp. 268-284.
- Uhl-Bien, M., Riggio, R.E., Lowe, K.B. and Carsten, M.K. (2014), “Followership theory: A review and research agenda”, *The Leadership Quarterly*, Vol. 25 No.1, pp. 83-104.
- Volmer, J., Niessen, C., Spurk, D., Linz, A. and Abele, A.E. (2011), “Reciprocal relationships between leader–member exchange (LMX) and job satisfaction: A cross-lagged analysis”, *Applied Psychology*, Vol.60 No.4, pp. 522-545.
- Wang, Y., Wu, C., Tian, X. and Zhu, Y. (2022), “Leader–follower psychological capital congruence and work outcomes: the mediating role of organizational embeddedness”, *Leadership & Organization Development Journal*, Vol. 43 No. 4, pp. 563-579.
- Wilhelm, C.C., Herd, A.M. and Steiner, D.D. (1993), “Attributional conflict between managers and subordinates: An investigation of leader-member exchange effects”, *Journal of Organizational Behavior*, Vol.14 No.6, pp. 531-544.
- Wolfram, H.J. and Mohr, G. (2009), “Transformational leadership, team goal fulfillment, and follower work satisfaction: The moderating effects of deep-level similarity in leadership dyads”, *Journal of Leadership & Organizational Studies*, Vol.15 No.3, pp. 260-274.
- Wu, T.J., Yuan, K.S. and Yen, D.C. (2021, in press), “Leader-member exchange, turnover intention and presenteeism—the moderated mediating effect of perceived organizational support”, *Current Psychology*.
- Xu, A. J., Loi, R., Cai, Z., and Liden, R. C. (2019), “Reversing the lens: How followers influence leader–member exchange quality”, *Journal of Occupational and Organizational Psychology*, Vol. 92 No.3, pp.475-497.
- Xu, J., Liu, Y. and Chung, B. (2017), “Leader psychological capital and employee work engagement: The roles of employee psychological capital and team collectivism”, *Leadership & Organization Development Journal*, Vol. 38 No. 7, pp. 969-985.
- Zhang, L., Lam, C. F., and Deng, Y. (2017), “Leader–member exchange and guanxi are not the same: Differential impact of dyadic relationships on fit perceptions, helping behavior, and turnover intention”, *The International Journal of Human Resource Management*, Vol.28 No.7, pp. 1005-1030.
- Zhang, Z., Wang, M., and Shi, J. (2012), “Leader-follower congruence in proactive personality and work outcomes: The mediating role of leader-member

exchange”, *Academy of Management Journal*, Vol.55 No.1, pp. 111-130.

TABLE 1. Means, Standard Deviations, and Correlations

Variables	<i>M</i>	<i>SD</i>	1	2	3	4
1 Leader psychological capital	3.94	.52	(.92)			
2 Follower psychological capital	3.71	.51	.27***	(.90)		
3 LMX	3.42	.83	.30***	.42***	(.93)	
4 Turnover intention	2.68	1.04	-.19**	-.01	-.23***	(.87)

Note. *N* = 207. **p* < .05. ** *p* < .01. ****p* < .001.

TABLE 2. Model Fit Results for Confirmatory Factor Analyses

Model	χ^2	<i>df</i>	$\Delta\chi^2$ (Δdf)	RMSEA	SRMR	CFI	TLI
F-PsyCap; LMX; TI	204.04	87	—	.08	.05	.94	.93
F-PsyCap+LMX; TI	453.72	89	249.68(2)	.14	.11	.80	.77
F-PsyCap; LMX+TI	629.18	89	425.14(2)	.17	.14	.71	.66
F-PsyCap+LMX+TI	878.94	90	674.90(2)	.21	.17	.58	.51
L-PsyCap; LMX; TI	180.19	87	—	.07	.05	.95	.95
L-PsyCap+LMX; TI	681.31	89	501.12(2)	.18	.15	.71	.66
L-PsyCap; LMX+TI	608.51	89	428.32(2)	.17	.14	.75	.70
L-PsyCap+LMX+TI	1104.40	90	924.21(3)	.23	.19	.51	.43

Note. *N* = 207. PsyCap=psychological capital.

TABLE 3. Results of Polynomial Regressions

LMX				
	Model 1		Model 2	
	<i>b</i>	<i>(SE)</i>	<i>b</i>	<i>(SE)</i>
Constant	3.81***	(.15)	3.82***	(.16)
Control variable				
Gender different	-.00	(.10)	-.02	(.10)
Age different	.01	(.01)	.01	(.01)
Education different	.06	(.09)	.04	(.09)
Dyadic tenure	-.19	(.05)	-.19***	(.04)
Five polynomial terms				
Leader PsyCap (<i>b</i> ₁)	.16**	(.05)	.18***	(.05)
Follower PsyCap (<i>b</i> ₂)	.32***	(.05)	.26***	(.05)
Leader PsyCap Squared (<i>b</i> ₃)			-.02	(.04)
Leader × Follower PsyCap (<i>b</i> ₄)			.19***	(.05)
Follower PsyCap Squared (<i>b</i> ₅)			-.03	(.03)
<i>R</i> ²	.29		.33	
ΔR^2	–		.04**	
<i>F</i>	13.67***		11.03***	
Congruence line (<i>L = F</i>)				
Slope (<i>b</i> ₁ + <i>b</i> ₂)			.44***	(.06)
Curvature (<i>b</i> ₃ + <i>b</i> ₄ + <i>b</i> ₅)			.14	(.07)
Incongruence line (<i>L = -F</i>)				
Slope (<i>b</i> ₁ - <i>b</i> ₂)			-.08	(.09)
Curvature (<i>b</i> ₃ - <i>b</i> ₄ + <i>b</i> ₅)			-.24***	(.07)

Note. *N* = 207. Unstandardized regression coefficients reported.

* *p* < .05; ** *p* < .01; *** *p* < .001. PsyCap=psychological capital.

TABLE 4. Mediating Effects

Model	First Stage	Second Stage	Mediation Effect (95% CI)
Block → LMX → Turnover Intention	.99*** (.12)	-.27** (.09)	-.27 (-.45, -.09)

Note. $N=207$. Bootstrap $n=10,000$; standardized regression coefficients reported.

* $p<0.05$; *** $p<0.001$. Block=the block variable

		Leader Psychological Capital	
		Low	High
Follower Psychological Capital	Low	Congruence in psychological capital Leader Low - Follower Low	Incongruence in psychological capital Leader High - Follower Low
	High	Incongruence in psychological capital Leader Low - Follower High	Congruence in psychological capital Leader High - Follower High

Figure 1 The four different scenarios of (in) congruence in leader-follower psychological capital

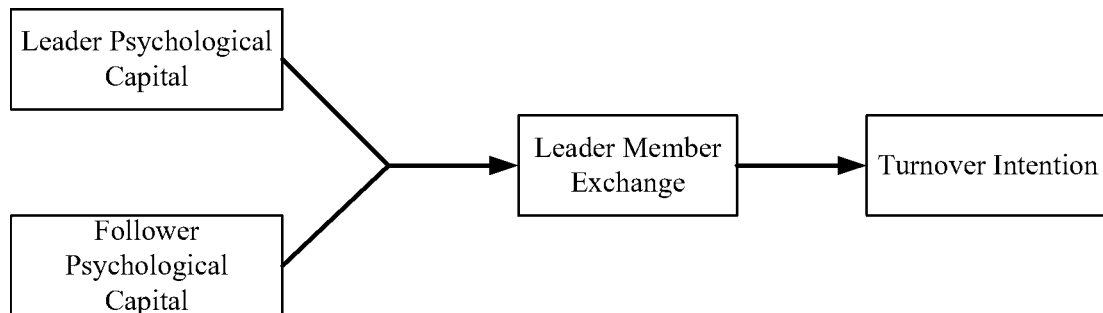


Figure 2 The theoretical research model

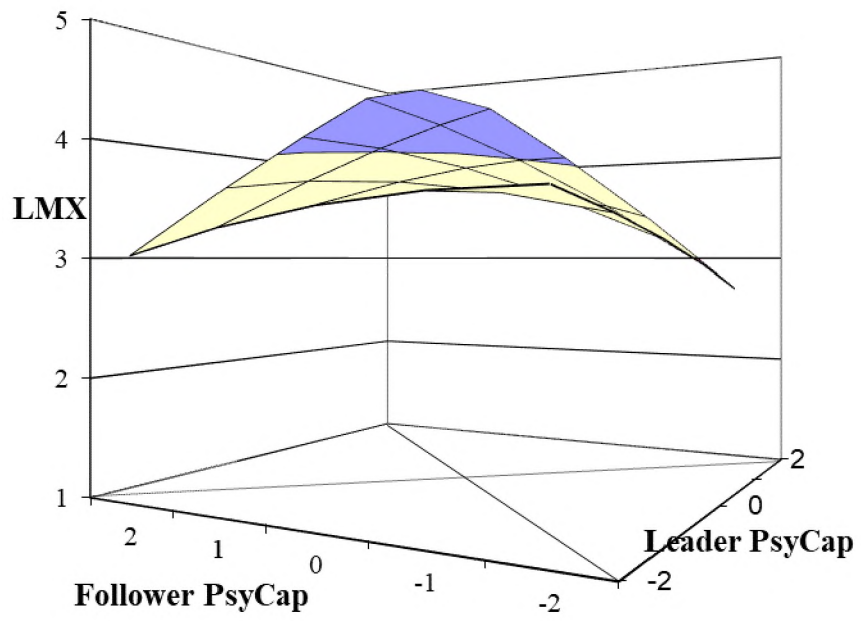


Figure 3 (In)congruence effect of leader-follower psychological capital on LMX



To cite this article: Zhang, X., Lin, Z., Chen, X., Zhang, Z., & Liu, D. M. (2023). Leader–follower congruence in psychological capital: effects on LMX and turnover intention. *Leadership and Organization Development Journal*, 44(4), 489-502. <https://doi.org/10.1108/lodj-09-2020-0419>

Durham Research Online URL:

<https://durham-repository.worktribe.com/output/1716002>

Copyright statement: This author accepted manuscript is deposited under a Creative Commons Attribution Non-commercial 4.0 International (CC BY-NC) licence. This means that anyone may distribute, adapt, and build upon the work for non-commercial purposes, subject to full attribution. If you wish to use this manuscript for commercial purposes, [please visit Marketplace](#)